

CENTER *for* RURAL POLICY and DEVELOPMENT

MINNESOTA STATE UNIVERSITY • MANKATO

Seeking Solutions for Greater Minnesota's Future

NEWSLETTER No. 3

OCTOBER • NOVEMBER 1999

Center Meets with Legislators on Rural Issues

As a precursor to the 2nd Annual Rural Summit in Duluth, the Center invited state legislators to a 2-hour discussion on many of the salient issues facing rural Minnesota. Billed as a "legislative input session," Center President Jack Geller facilitated the discussion on issues that were at the top of the legislators concerns.

"The purpose of the Input Session is to assist us in focusing our research portfolio" Geller said. "If the Center is going to be successful, we must conduct research on topics that are on, or will soon be on the public agenda. One of the best ways to understand what might be tomorrow's legislative issue is to directly ask

legislators. Consequently, this type of direct input is extremely helpful to our board of directors in charting our course," Geller added.

Attending the session were 21 legislators: 9 house members and 12 senators along with several legislative aides. "I was impressed both with the number of legislators who came, as well as the quality of the discussion," said Representative Bob Gunther (Fairmont). "The Center has the potential to assist legislators with the objective, unbiased research that we need as legislators. Now they need to show us what they can do," Gunther added.

Some of the most pressing issues discussed were in the



CRPD President Jack Geller discusses the Center's approach to policy research with state legislators.

areas of agriculture and telecommunications; two of the areas in which the Center recently established research projects. However, many other issues emerged as well. There was much concern about the regionalization of services in rural areas, be it in telecommunications, health care, transportation infrastructure, or other services. Some expressed concerns that as services and infrastructure continues to aggregate in regional centers, our smaller communities will become more isolated.

The Center recently sent to legislators a synopsis of all the issues discussed at the

meeting asking them to prioritize those rural issues that are of greatest concern to them. Once tabulated, such input will greatly assist the Center in developing its future research agenda.

"Overall, I thought the meeting was very helpful," noted Senator LeRoy Stumpf (Thief River Falls). "It helped legislators understand what the Center was doing and helped the Center better understand the concerns of legislators. I was also pleased to see urban legislators in attendance at the session. It confirms that rural issues are of concern to all legislators, not just rural legislators," Stumpf added.



Representatives Thomas Huntley (Duluth), Bernie Lieder (Crookston) and Senator Jerry Janezich (Chisholm) were among the 21 legislators who participated in the Center's Input Session.

Many Rural Counties Continue to See Population Growth

1998 County population estimates released in August by the State Demographic Center continue to show a generally positive, but mixed picture for rural Minnesota. Analysis by the State Demographic Center in 1996 documented that while the 1980s was a decade of population loss for most of rural Minnesota, that trend turned around for many rural counties in the 1990s. Between 1990 and 1995, 66 of Minnesota's 87 counties gained population, while 21 counties, mostly in western and southern Minnesota continued to lose population.

The recently released 1998 data supports this same continuing trend. Of the 66 counties that gained population between 1990-1995, 59 (or 89%) continued to experience growth through 1998. Of the 21 counties that experienced population losses between 1990-1995, 18 (or 86%) continued to lose population through 1998. Interestingly, 9 counties reversed their population trends, with 6 counties that gained population through 1995 seeing population setbacks between 1995 and 1998, while 3 counties that lost population through 1995 recorded population gains between 1995 and 1998. Further, as in the 1996 analysis, the majority of rural counties experiencing population losses appear to be those that are most agriculturally dependent.

A county-by-county listing of all the 1998 population estimates can be found on the Internet at the Minnesota Planning homepage at [www.mnplan.state.mn.us]. To obtain the data on diskette, you can send a blank disk to the State Demographic Center, Minnesota Planning, 658 Cedar Street, St. Paul, MN 55155.

On August 12, in Duluth I had the opportunity, along with approximately 600 others to listen to Governor Ventura deliver a 40-minute prepared speech on rural policy, rural issues and his thoughts on the future of rural Minnesota. While I can't say for certain whether this was the first prepared speech the Governor has delivered on rural issues, it was the first one I had heard.

Much has been made of the Governor's remark that he does not want to hear anymore about the "rural crisis". What was less mentioned was his following statement that what he does think we need to talk about is "rural change". While the style may be a bit abrasive, the point is well taken. Change, and more specifically, how rural communities address it is really going to determine the fate of many of our rural areas. In fact, our rural areas have been changing dramatically since the end of World War I; some more successfully than others. Isn't it really about change?

When asked about his vision for rural Minnesota, the Governor challenged those in the room. He responded that it was really up to all of us who live, work, raise our children and care about rural areas to build that vision. We need to do it in our own communities, organizations, counties and town halls. Did he pass the buck? Or did he subtly make the point that building viable communities and economies is best done at home? I guess it depends on how you heard it.

Probably for me the most controversial part of the Governor's speech was in his comments about the problems facing Minnesota farmers. He reminded the audience that he had not favored the \$70 million farm relief package that was passed by the legislature, but allowed it to become law anyway. That he had hoped to target \$10 million per year to those farmers in need, over a series of years. But since the legislature spent \$70 million in one shot, if they try to come back for more money next time, the bank

The Governor and Rural Policy

by **Jack Geller**
CRPD PRESIDENT

will be closed. "There isn't anymore; they spent it all," is a close enough paraphrase.

Given the widening challenges facing Minnesota agriculture, the question facing state government is to look at what its appropriate role is. Is another farm relief package, in the fashion of a per-acre cash payment the most appropriate role for the state? I think the Governor was clearly saying no! However, I do not believe that the Governor was saying that state government has no role to play. It doesn't mean that the administration will not be open to looking at new programs to

encourage more investments in value-added industries, new uses for state aid payments to rural communities, the development of stronger marketing programs for Minnesota products, the development of niche markets, alternative uses for agricultural products... the list can go on and on.

In the end, I walked away from the Governor's speech with somewhat mixed feelings. To be honest, I agreed with much of what he said, and disagreed with some as well. I also have to admit that the Governor's confrontational style made me feel very defensive from the start. The Governor told the audience that he did not come to Duluth to necessarily tell us what we wanted to hear, but rather, to "tell us the truth". But does that mean that if some in the audience had honest disagreements with his opinions, that we do share the truth as well? Such a perspective does not necessarily lay the foundation for constructive conversation and policy-making.

Overall however, I think the Governor gave us one heck of a challenge. That it is up to us to help develop that vision of what we want rural Minnesota to look like 20 years from now, and find the appropriate path to get there. That government is there to help, but only (as the Governor often mentions) when the task is beyond the capacity of groups and individuals themselves. It's a challenge worth taking. Let's get to work!



Center Announces FY 2000 Small Grant Program

The Center for Rural Policy and Development announces the solicitation of proposals for the FY 2000 Small Grants Program. The Center seeks proposals to conduct innovative research on public policy issues affecting the social, economic and quality-of-life issues of rural Minnesotans and their communities.

As was the case in the Center's first "Request for Proposals," projects may be funded up to \$10,000, depending upon the duration and complexity of the research. However, with the Center's desire to fund as many projects as possible, it is anticipated that most proposals will be funded at the \$4,000-\$7,000 level. Collaborative projects from multiple researchers are strongly encouraged, but not required.

The application deadline for this solicitation is November 15, 1999. Applications and additional information can be obtained by calling the Center for Rural Policy and Development at 507-389-2599, or by accessing the Center's website at [<http://www.ruralmn.org>]. Applications can be directly downloaded from the website as well.

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Center Creates Two New Policy Panels

Last month the Center for Rural Policy and Development announced the establishment of two new policy panels in the areas of agriculture and rural telecommunications. Both panels will focus their attention on understanding how these two important forces are impacting rural Minnesota and examine the role of state policy. The panel on agriculture is being administered by Ed Lotterman, an agricultural economist formerly with the Federal Reserve Bank of Minneapolis, while the telecommunications panel is being led by Lee Munnich, Senior Fellow at the Humphrey Institute on Public Affairs and Director of its State and Local Policy Program.

The Policy Panel in agriculture will seek to explore the following questions:

1. What is the current outlook for Minnesota agricultural producers?
2. Can we project the impact of the loss of income on the overall rural economy?
3. What is the appropriate role of state government in assisting in stabilizing Minnesota's agricultural and rural economy?
4. What are some creative and viable legislative alternatives for the Legislature to consider in this effort? What are the expected costs and benefits associated with each alternative?

Panel members will examine the most contemporary data on Minnesota agriculture and attempt to come to consensus on what the appropriate role of state government should be, as well as a targeted list of viable legislative action steps for the Legislature to consider. Members of the panel come from a variety of backgrounds and experiences in agriculture including producers, lenders, agri-business managers and policy analysts.

The Panel members are:

Ed Lotterman
Panel Administrator

Myron Just
Minnesota Agri-Growth Council

Lois Mack
Minnesota Department
of Public Service

Timothy Penny
Former U.S. Congressman

Bob Bergland
Former U.S. Secretary
of Agriculture

Jan Boll
Minnesota Farmer
Advocate Program

Steve Core
Corn Plus

Rodney Vander Ziel
Lyon County Farmer

Paul DeBriyn
AgStar Farm Credit Services

Irving Busman
Murray County Farmer

The panel is expected to issue a preliminary report in December 1999 and release its final report in March 2000.

The panel on rural telecommunications was established to conduct research on the access to telecommunications technology available throughout rural Minnesota and examine public policy in this area. Given the heightened awareness of telecommunication issues in rural Minnesota, along with the administration's desire to update Minnesota's telecommunications laws in this upcoming session, the presence and timing of this panel seem ideal. Telecommunications panel members will address the following questions:

1. What is the current status of telecommunications technology and infrastructure in rural Minnesota?
2. What are the geographic patterns of infrastructure development and investment?
3. What are the telecommunications needs of rural businesses? Are they being met?
4. What is the relationship between telecommunications investment and rural economic development?

5. What is state and local government, along with the industry currently doing to ensure that rural Minnesotans have adequate access to telecommunications technology? What should the role of the state be?
6. What are some targeted viable alternatives the state can implement to help ensure that access is available to rural Minnesota communities?

As with the agriculture panel, the telecommunications panel is comprised of members from a variety of backgrounds and experiences in telecommunications. Panel members will seek to examine the most contemporary information, and find consensus around these important policy issues. Panel members include:

Lee Munnich
Panel Administrator

Jane Leonard
Onvoy

Tim Tupy
Midwest Wireless
Communications

Mary Ellen Wells
Allina Health System

Ann Higgins
League of Minnesota Cities

Dick Nordvold
IRRRB

Jerry Nagel
Red River Trade Corridor

Randy Young
Minnesota Association for
Rural Telecommunications

Joe Day
Minnesota Indian
Affairs Council

Jon Schmid
Security State Bank of Sebeka

John Frederickson
International Falls Schools

The telecommunications panel is planning to release a preliminary report in late December. Information about both of these new panels can be obtained by calling the Center office at 507-389-2599.